

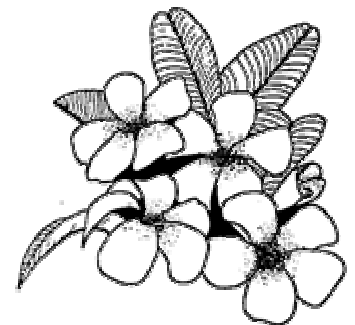


# **“Access to Technology and Markets as conditions to Rural Prosperity: The Experience of the MAPA project (*Market Access & Poverty Alleviation*) in Bolivia”**

**Jorge Calvo and Sergio Navajas (*USAID/Bolivia*)**



***USAID/LAC Rural Economy Workshop  
Washington DC  
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# The Bolivian Rural Sector: Overview

Bolivia is poor (104 out of 162 countries according to the Human Development Index-UNDP)



**Poorest country in  
South America!**



# The Bolivian Rural Sector: Overview

and the rural sector is ....

- Still large ==> 36% of total population ~ 3 million

- Very poor ==>

poor	—	82 % rural
		50 % urban

extreme poor	—	60 % rural
		23 % urban



# Rural Development in Bolivia - The old approach

- ✓ “Technofix” ==>

  - Vertical process of innovation

  - Farmer’s participation nil

  - Technology transfer mechanisms non-existent

  - No direct connection with markets

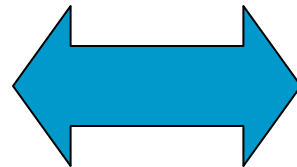
- ✓ “Price is Right” ==>

  - Attention to macroeconomic conditions rather than specific “bottle necks”..the market will do the rest

- ✓ “Poorest of the Poor ”

# The MAPA Diagnosis==> Constraints to Rural Prosperity

Technology



Markets



*Market Access and Poverty Alleviation - Bolivia*

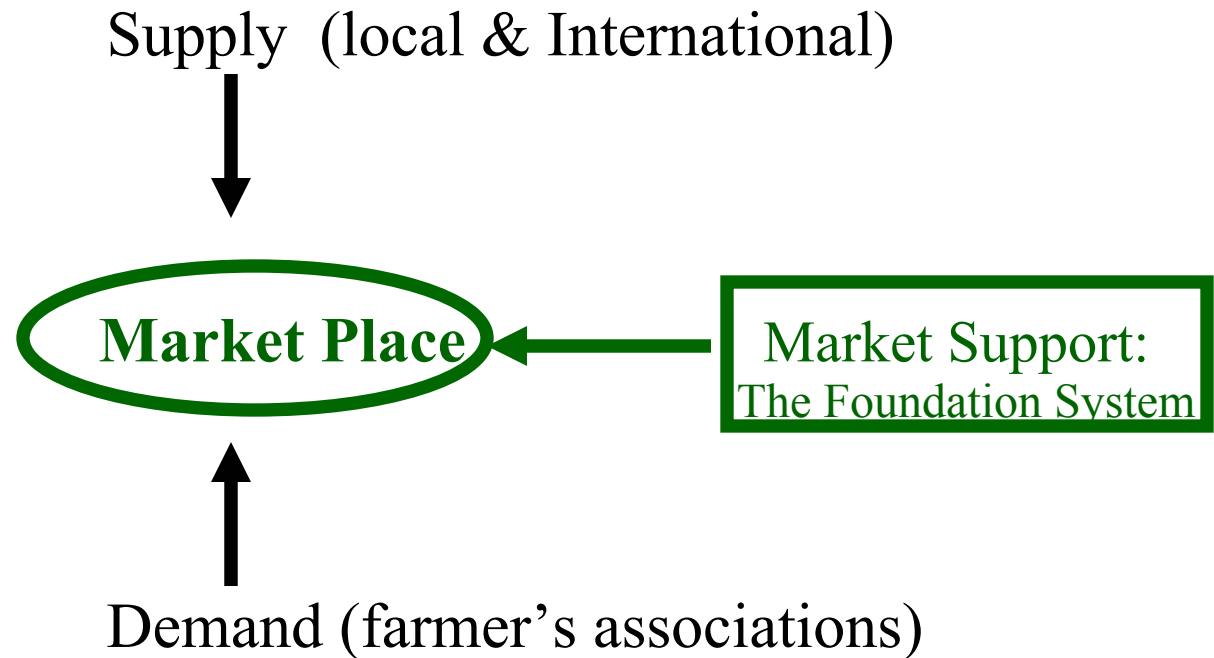
# MAPA: Theory at work

## *Principle # 1: Creation of a Market Place for Technology*



# MAPA: Theory at work

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# MAPA: Theory at work

## *Principle # 2: Creation of a Sustainable Market Support Mechanism=>The Foundation System*

- A mechanism that includes all stakeholders involved: Government and donors as well as farmers associations (demand) and technical providers (supply)
- Farmers participate through cash contributions (15 % of project costs)
- Non donor's contribution ➔ Sustainability



# MAPA: Theory at work

*Principle # 3: The selection of the specific projects depends on market conditions*

## **Who qualifies?**

- Farmers who are organized in associations;
- Farmers who are willing to share the costs (15 %);
- Farmers who count with irrigation and rural road access.

# MAPA: Theory at work

## ***Principle # 3: The selection of the specific projects depends on market conditions***

### **Who “picks the winner”?**

1. Foundation selects priority areas (*potential in the market place*)
2. Foundation calls for project profile based on priorities;
3. Farmers association choose – *from priority areas* – in which areas they are interested and they submit a project profile;
4. Farmers associations and Foundation work together in finalizing the project profile;
5. Foundation bids the design and implementation of the selected project.



# A MAPA example: Onions

**Problem:** Large amount of losses due to improper harvest, post-harvest and transportation practices

**Before  
Intervention**

**45% of losses**



**After  
Intervention**

**5% of losses !**



# MAPA: Emerging Lessons

- 1) **Coordination with all stakeholders ensure sustainability of program beyond life of USAID program;**
- 2) **Technological Innovation needs to happen in connection with the product market, farmer's technology needs and the capacity of technical assistance providers;**
- 3) **Supply and demand for technical assistance meet with support from a market facilitator (the Foundation)**
- 4) **May not be suitable for (traditional) large research projects, but more appropriate for applied innovation programs;**

# The End



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